

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS**

**FINANCIAL REPORT
FOR THE TEN MONTHS ENDED APRIL 30, 2014**

**Natchitoches Central High School
School Activity Funds**

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
Independent Auditor's Report on the Financial Statements	1-2	---
Basic Financial Statements:		
Statement of Fiduciary Net Position	4	A-1
Statement of Changes in Fiduciary Net Position	5-10	A-2
Notes to the Financial Statements	12-17	---
Supplementary Information:		
Schedule of Changes in Restricted Account Deposit Balances	19-21	A-3
Internal Control and Compliance:		
Independent Auditor's Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	23-24	B
Schedule of Audit Findings	25	C
Summary of Prior Year's Findings	26	D

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation

Roger M. Cunningham, CPA – A Professional Corporation

Jessica H. Broadway, CPA – A Professional Corporation

Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT

To: Natchitoches Central High School

Report on the Financial Statements

We have audited the accompanying financial statements of the Natchitoches Central High School Activity Funds (School Activity Funds), a component unit of the Natchitoches Parish School Board, as of and for the ten months ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the School Activity Funds' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the fiduciary funds of the Natchitoches Central High School Activity Funds as of April 30, 2014, and the respective changes in financial position for those fiduciary funds for the ten months then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The component unit financial statements referred to above include only the financial activities of the Natchitoches Central High School Activity Funds. Financial activities of other component units that form the reporting entity, which is the Natchitoches Parish School Board, are not included. The Natchitoches Central High School Activity Funds has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Other Information

The financial information for the year ended June 30, 2013, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion dated October 31, 2013, on the basic financial statements of the Natchitoches Parish School Activity Funds.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2014, on our consideration of the Natchitoches Central High School Activity Funds' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Natchitoches Central High School Activity Funds' internal control over financial reporting and compliance.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

November 20, 2014
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA

Statement of Fiduciary Net Position
For the Ten Months Ended April 30, 2014
With Comparative Amounts from Year Ended June 30, 2013

	General <u>Accounts</u>	Restricted <u>Accounts</u>	Total (Memorandum <u>Only</u>)	6-30-13 (Memorandum <u>Only</u>)
ASSETS:				
Cash	<u>\$68,223</u>	<u>\$249,592</u>	<u>\$317,815</u>	<u>\$271,345</u>
LIABILITIES:				
Due to Student Clubs	<u>\$68,223</u>	<u>\$249,592</u>	<u>\$317,815</u>	<u>\$271,345</u>

The accompanying notes are an integral part of this statement.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA**

**Statement of Changes in Fiduciary Net Position
For the Ten Months Ended April 30, 2014
With Comparative Amounts from Year Ended June 30, 2013**

	<u>General Accounts</u>	<u>Restricted Accounts</u>	<u>Total (Memorandum Only)</u>	<u>6-30-13 (Memorandum Only)</u>
ADDITIONS:				
Office Receipts	\$ 0	\$ 0	\$ 0	\$ 1,569
Concession Sales	14,405	0	14,405	12,108
Vehicle Expenses	0	0	0	60
Student I.D.	9,108	0	9,108	9,605
Parking Permits	5,295	0	5,295	4,410
Interest Income	378	0	378	697
Academic	0	343	343	848
Athletics (Gym fee)	0	505	505	2,865
Athletics (Restricted)	0	0	0	18,921
4-H Club	0	401	401	569
African American	0	11,612	11,612	7,138
Art	0	4,285	4,285	6,320
Athletic Boosters	0	33,797	33,797	38,305
BETA Club	0	2,462	2,462	2,593
Band Boosters	0	27,115	27,115	47,928
Baseball	0	36,866	36,866	33,064
Basketball	0	21,390	21,390	17,727
Basketball Team – Boys	0	50,496	50,496	23,145
Basketball Team – Girls	0	30,761	30,761	43,719
Biology (AP)	0	0	0	512
Biology	0	1,121	1,121	2,490
Cheerleaders	0	5,616	5,616	46,740
Chiefettes	0	4,765	4,765	20,766
Choir	0	0	0	980
Class of 2017	0	8,624	8,624	0
Class of 2013	0	0	0	7,434
Class of 2014	0	4,927	4,927	9,726
Class of 2015	0	5,292	5,292	2,574
Class of 2016	0	1,736	1,736	4,300
Computer	0	72	72	40
Cross Country	0	1,990	1,990	5,703

Continued next page.

The accompanying notes are an integral part of this statement.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA**

**Statement of Changes in Fiduciary Net Position
For the Ten Months Ended April 30, 2014
With Comparative Amounts from Year Ended June 30, 2013**

	<u>General Accounts</u>	<u>Restricted Accounts</u>	<u>Total (Memorandum Only)</u>	<u>6-30-13 (Memorandum Only)</u>
Debate	\$ 0	\$ 0	\$ 0	\$ 40
Desktop Publishing	0	10,597	10,597	7,005
Drama	0	816	816	599
Engineering	0	560	560	1,050
FBLA	0	9,984	9,984	10,781
FCA	0	1,330	1,330	7,361
FFA	0	37,842	37,842	36,447
FHA	0	11,133	11,133	1,604
Fishing Club	0	8,472	8,472	6,104
Football	0	103,690	103,690	82,865
Football – Jr. High	0	0	0	27,015
Forensic Science	0	2,068	2,068	2,077
Functional Workshop	0	10,595	10,595	13,863
Golf	0	451	451	1,016
Graduation	0	0	0	4,965
Guidance Office	0	787	787	540
JROTC	0	34,182	34,182	34,877
Key Club	0	4,129	4,129	3,735
Library	0	272	272	405
Maroon Line/Dance Lines	0	2,342	2,342	15,450
Math Club	0	430	430	0
National Honor Society	0	2,625	2,625	1,895
Orchestra	0	6,377	6,377	94,174
PBIS	0	6,252	6,252	13,175
Physics	0	800	800	346
Powerlifting	0	18,063	18,063	14,322
Pro Start	0	7,356	7,356	7,327
Publications	0	30,216	30,216	29,026
Quarterback Club	0	0	0	5,940
Quiz Bowl	0	350	350	110
Robotics	0	75	75	0

Continued next page.

The accompanying notes are an integral part of this statement.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA**

**Statement of Changes in Fiduciary Net Position
For the Ten Months Ended April 30, 2014
With Comparative Amounts from Year Ended June 30, 2013**

	<u>General Accounts</u>	<u>Restricted Accounts</u>	<u>Total (Memorandum Only)</u>	<u>6-30-13 (Memorandum Only)</u>
SADD	\$ 0	\$ 11,800	\$ 11,800	\$ 12,402
Science	0	3,961	3,961	4,148
Soccer	0	774	774	1,790
Soccer – Boys	0	2,450	2,450	1,556
Soccer – Girls	0	11,344	11,344	5,971
Softball	0	48,013	48,013	32,897
St. Jude's	0	0	0	982
Student Council/SGO	0	3,367	3,367	4,308
Student Leadership	0	0	0	135
Swimming	0	6,362	6,362	4,489
Technology	0	2,783	2,783	1,476
Tennis	0	4,845	4,845	1,001
Track	0	9,429	9,429	0
Textbooks	283	0	283	19,191
YACA	0	4,366	4,366	0
Donations/Miscellaneous	<u>12,844</u>	<u>0</u>	<u>12,844</u>	<u>20,530</u>
 Total Additions	 <u>\$42,313</u>	 <u>\$675,464</u>	 <u>\$717,777</u>	 <u>\$907,846</u>

The accompanying notes are an integral part of this statement.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA**

**Statement of Changes in Fiduciary Net Position
For the Ten Months Ended April 30, 2014
With Comparative Amounts from Year Ended June 30, 2013**

	<u>General Accounts</u>	<u>Restricted Accounts</u>	<u>Total (Memorandum Only)</u>	<u>6-30-13 (Memorandum Only)</u>
DEDUCTIONS:				
Office Expenses	\$ 2,647	\$ 0	\$ 2,647	\$ 1,568
Educ. Supplies/Materials	1,079	0	1,079	0
Telephone	4,125	0	4,125	0
Concession Purchases	3,989		3,989	4,392
Parking Stickers	736	0	736	285
Student I.D.	1,908	0	1,908	3,207
Vehicle Expenses	0	0	0	37
Academic	0	0	0	2,345
African American	0	10,244	10,244	7,980
Athletics (Gym Fee)	0	719	719	1,329
Athletics (Restricted)	0	0	0	18,921
4-H Club	0	230	230	246
Art	0	4,068	4,068	6,663
Athletic Boosters	0	33,269	33,269	36,155
BETA Club	0	3,725	3,725	2,068
Band Boosters	0	23,176	23,176	51,176
Baseball	0	39,989	39,989	31,509
Basketball	0	7,625	7,625	17,652
Basketball Team-Boys	0	40,789	40,789	24,396
Basketball Team-Girls	0	29,067	29,067	42,653
Biology (AP)	0	0	0	92
Bible Club	0	0	0	147
Biology	0	1,203	1,203	2,299
Cheerleaders	0	35,110	35,110	13,835
Chiefettes	0	26,152	26,152	19,053
Choir	0	99	99	919
Class of 2017	0	3,725	3,725	0
Class of 2013	0	1,800	1,800	6,686
Class of 2014	0	4,080	4,080	12,369
Class of 2015	0	4,882	4,882	2,585
Class of 2016	0	1,721	1,721	1,830

Continued next page.

The accompanying notes are an integral part of this statement.

**NATCHITOCHEs CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHEs, LOUISIANA**

**Statement of Changes in Fiduciary Net Position
For the Ten Months Ended April 30, 2014
With Comparative Amounts from Year Ended June 30, 2013**

	<u>General Accounts</u>	<u>Restricted Accounts</u>	<u>Total (Memorandum Only)</u>	<u>6-30-13 (Memorandum Only)</u>
Computer	\$ 0	\$ 534	\$ 534	\$ 142
Cross Country	0	3,504	3,504	3,472
Desktop Publishing	0	6,983	6,983	8,944
Drama	0	465	465	804
Engineering	0	398	398	271
FBLA	0	10,342	10,342	10,139
FCA	0	1,724	1,724	5,892
FFA	0	38,431	38,431	38,954
FHA	0	9,189	9,189	1,303
Fishing Club	0	5,985	5,985	5,285
Football	0	91,086	91,086	94,709
Football-Jr. High	0	3,719	3,719	31,005
Forensic Science	0	2,047	2,047	1,828
Functional Workshop	0	7,512	7,512	18,071
Golf	0	860	860	486
Graduation	0	512	512	4,811
Guidance Office	0	941	941	618
JROTC	0	27,325	27,325	35,065
Key Club	0	3,675	3,675	3,544
Library	0	431	431	463
Maroon Line/Dance Lines	0	2,439	2,439	19,567
National Honor Society	0	1,842	1,842	218
Orchestra	0	9,442	9,442	84,566
PBIS	0	6,351	6,351	13,358
Physics	0	722	722	113
Powerlifting	0	16,100	16,100	13,765
Pro Start	0	5,695	5,695	9,421
Publications	0	12,440	12,440	30,602
Quarterback Club	0	3,667	3,667	5,474
Quiz Bowl	0	779	779	386
Right Start	0	208	208	186

Continued next page.

The accompanying notes are an integral part of this statement.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA**

**Statement of Changes in Fiduciary Net Position
For the Ten Months Ended April 30, 2014
With Comparative Amounts from Year Ended June 30, 2013**

	<u>General Accounts</u>	<u>Restricted Accounts</u>	<u>Total (Memorandum Only)</u>	<u>6-30-13 (Memorandum Only)</u>
Robotics	\$ 0	\$ 278	\$ 278	\$ 163
SADD	0	9,471	9,471	10,201
Science	0	1,979	1,979	3,831
Science Club	0	158	158	1,795
Soccer	0	460	460	1,930
Soccer-Boys	0	2,492	2,492	3,734
Soccer-Girls	0	7,819	7,819	8,763
Softball	0	42,625	42,625	35,101
Student Council/SGO	0	3,459	3,459	3,314
Student Leadership	0	0	0	72
Swimming	0	5,742	5,742	4,506
Tennis	0	4,110	4,110	1,965
Track	0	11,330	11,330	13,591
Teacher/Classroom Supplies	0	7,453	7,453	0
Technology	0	2,219	2,219	947
Textbooks	402	0	402	150
YACA	0	4,182	4,182	0
Miscellaneous	<u>5,623</u>	<u>0</u>	<u>5,623</u>	<u>25,312</u>
Total Deductions	<u>\$ 20,509</u>	<u>\$650,798</u>	<u>\$671,307</u>	<u>\$871,234</u>
Increase in Net Position Before Transfers	\$ 21,804	\$ 24,666	\$ 46,470	\$ 36,612
Other Financing Sources (Uses):				
Transfers In	7,132	17,108	24,240	3,245
Transfers Out	<u>(17,108)</u>	<u>(7,132)</u>	<u>(24,240)</u>	<u>(3,245)</u>
Increase in Net Position	\$ 11,828	\$ 34,642	\$ 46,470	\$ 36,612
Net Position at Beginning of Year	<u>56,395</u>	<u>214,950</u>	<u>271,345</u>	<u>234,733</u>
Net Position at End of Year	<u>\$ 68,223</u>	<u>\$249,592</u>	<u>\$317,815</u>	<u>\$271,345</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
Notes to Financial Statements
April 30, 2014**

INTRODUCTION

As provided by Louisiana Revised Statute 17:414 and resolutions of the Natchitoches Parish School Board, the School Activity Funds are maintained under the direction of the school principals and the school board for the management of any money which accrues to benefit the schools. Additions are generated within the schools from various sources including student fees, concessions and other fundraising activities. These additions are used for a variety of purposes ranging from miscellaneous supplies for the school, instructional programs, and extracurricular student organizations. These funds are used to supplement, rather than replace, funds for activities and services provided by the local school board. The money provided by the State of Louisiana or the Natchitoches Parish School Board for support of the regular instructional programs and the school facilities are not included.

The Natchitoches Parish School Board is the governing body for fifteen (15) separate schools within the parish providing instructional and educational benefits for grades Pre-K (Pre-kindergarten) through 12. Natchitoches Central High School consists of grade levels 9th through 12th and is located in the Natchitoches Community.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the Natchitoches Central High School Activity Funds have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local government.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Natchitoches Parish School Board is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (School Board), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Natchitoches Parish School Board for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
Notes to Financial Statements
April 30, 2014**

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the School Board to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the School Board.
2. Organizations for which the School Board does not appoint a voting majority but are fiscally dependent on the School Board.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because of criteria 1(a), 1(b), and 3, above, the Natchitoches Central High School Activity Funds were determined to be a component unit of the Natchitoches Parish School Board, the reporting entity. The accompanying financial statements present information only on the funds maintained by the Natchitoches Central High School Activity Funds and do not present information on the School Board or the School Activity Funds for the entire parish, the general government services provided by the governmental unit, or the other governmental units that comprise the reporting entity.

C. FUND ACCOUNTING

The School Activity Funds use funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the School Activity Funds are classified as fiduciary or agency funds. Agency funds account for the collection and disbursement of specific or legally restricted monies, generated by the schools and organizations within the schools for the parish. While these accounts are under the supervision of the school board, they belong to the individual schools or their student bodies and are not available for use by the school board. Funds of the School Activity Funds include:

1. General Accounts - the general operating fund of the School Activity Funds and accounts for revenues (additions) and expenditures (deductions) that tend to benefit the entire school and are not restricted to any specific group or activity.
2. Restricted Accounts - Accounts for transactions relating to resources restricted to expenditures of a specific purpose or group of students.

**NATCHITOCHEs CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
Notes to Financial Statements
April 30, 2014**

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. There are no governmental funds associated with the School Activity Funds. The governmental funds use the following practices in recording additions and deductions:

Revenues (additions) are recognized when susceptible to accrual (i.e., when they become measurable and available as net current assets). "Measurable" means that amount of the transaction that can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures (deductions) are generally recognized when the related fund liability is incurred. Purchases of various operating supplies are regarded as deductions at the time of purchase.

Other financing sources (Uses) are transfers between funds that are not expected to be repaid or any other financing sources such as debt proceeds.

E. BUDGETS

An annual operating budget is usually required by law of the State of Louisiana. However, School Boards' School Activity Funds are not required to prepare or adopt a budget due to the variable nature related to the different school activities and organizations raising funds.

F. ENCUMBRANCES

The School Activity Funds do not employ the use of encumbrance accounting.

G. CASH & CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Under the state law, the School Activity Funds may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the School Activity Funds may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated cost.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
Notes to Financial Statements
April 30, 2014**

At April 30, 2014, the Natchitoches Central High School Activity Funds had cash and cash equivalents with a carrying balance of \$317,813 that was held in checking accounts at local banks. These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit the fiscal agent. These securities are held in the name of the pledging fiscal bank in a holding or custodial bank that is mutually acceptable to both parties. The School Activity Funds entire cash balance was totally insured by FDIC insurance throughout the year.

The School Activity Funds' cash is categorized below to give an indication of the level of risk assumed by the School Activity Funds at April 30, 2014. Category 1 includes cash held by the School Activity Funds which is insured and held in the schools' names. Category 2 includes uninsured cash held by the agent of the schools in the schools' names. Category 3 would include cash held by a trustee or other third party not in the School Activity Funds' name and uninsured and unregistered.

	Category <u>1</u>	Category <u>2</u>	Category <u>3</u>
Checking Account	<u>\$317,813</u>	<u>\$0</u>	<u>\$0</u>

H. FIXED ASSETS

Fixed asset purchases are recorded as deductions at the time purchased within the School Activity Funds. However, fixed asset purchases are capitalized and depreciated by the Natchitoches Parish School Board. Therefore, the Natchitoches Central High School Activity Funds had no fixed assets as of June 30, 2014.

I. COMPENSATED ABSENCES

The Natchitoches Central High School Activity Funds have no employees and, thus, do not carry forward or accrue compensated absences.

J. EQUITY CLASSIFICATIONS

In the financial statements, net position is classified as follows:

- a. Restricted - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- b. Unrestricted - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
Notes to Financial Statements
April 30, 2014**

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

K. TOTAL COLUMNS ON SCHEDULES

The total columns on the statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

L. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - INTERFUND RECEIVABLES/PAYABLES

There were no interfund receivables or payables of the Natchitoches Central High School Activity Funds as of April 30, 2014.

NOTE 3 - PENDING LITIGATION

There were no civil suits seeking damages against the Natchitoches Central High School Activity Funds outstanding at April 30, 2014.

NOTE 4 - RELATED PARTY TRANSACTIONS

The Natchitoches Central High School Activity Funds had no related party transactions for the ten months ended April 30, 2014.

NOTE 5 - COMPENSATION PAID TO BOARD MEMBERS

Neither the members of the School Board, school administrations, teachers nor students of the Natchitoches Central High School received any compensation from the School Activity Funds during the school year. Such compensation is strictly prohibited by School Board policy.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
Notes to Financial Statements
April 30, 2014**

NOTE 6 - LONG-TERM DEBT

The Natchitoches Central High School Activity Funds had no long-term debt at April 30, 2014.

NOTE 7 – SUBSEQUENT EVENTS

Management has evaluated events through November 20, 2014, the date the financial statements were available for issue, and did not identify any subsequent events that require disclosure.

SCHEDULE OF CHANGES IN RESTRICTED ACCOUNT DEPOSIT BALANCES

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA**

**Schedule of Changes in Restricted Account Deposit Balances
For the Year Ended April 30, 2014**

<u>Restricted Activity</u>	<u>Balance 6-30-13</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers In/(Out)</u>	<u>Balance 4-30-14</u>
Academic	\$ 6	\$ 343	\$ 0	\$ 0	\$ 349
African American	468	11,612	10,244	(236)	1,600
Athletics	2,399	505	719	0	2,185
4-H Club	697	401	230	0	868
Art	328	4,285	4,068	0	545
Athletic Boosters (Assoc.)	4,894	33,797	33,269	0	5,422
BETA Club	1,747	2,462	3,725	0	484
Band Boosters	1,185	27,115	23,176	0	5,124
Baseball	7,470	36,866	39,989	0	4,347
Basketball	842	21,390	7,625	0	14,607
Basketball Team-Boys	3,924	50,496	40,789	3,686	17,317
Basketball Team-Girls	3,313	30,761	29,067	0	5,007
Bible Club	75	0	0	0	75
Biology	382	1,121	1,203	0	300
Biology (AP)	420	0	0	0	420
Chad Hargis Fund	186	0	0	0	186
Cheerleaders	35,936	5,616	35,110	(748)	5,694
Chiefettes	26,265	4,765	26,152	(528)	4,350
Choir	244	0	99	0	145
Class of 2017	0	8,624	3,725	0	4,899
Class of 2013	1,994	0	1,800	0	194
Class of 2014	808	4,927	4,080	0	1,655
Class of 2015	3,022	5,292	4,882	0	3,432
Class of 2016	2,470	1,736	1,721	0	2,485
Close-up	1,199	0	0	0	1,199
Computer	781	72	534	0	319
Cross Country	2,546	1,990	3,504	0	1,032
Debate Club	40	0	0	0	40
Desktop Publishing	3,317	10,597	6,983	0	6,931
Drama	562	816	465	0	913
Engineering	779	560	398	0	941
FBLA	1,532	9,984	10,342	0	1,174
FCA	2,216	1,330	1,724	0	1,822
FFA	4,602	37,842	38,431	0	4,013

Continued next page.

The accompanying notes are an integral part of this statement.

**NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHES, LOUISIANA**

**Schedule of Changes in Restricted Account Deposit Balances
For the Year Ended April 30, 2014**

<u>Restricted Activity</u>	<u>Balance 6-30-13</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers In/(Out)</u>	<u>Balance 4-30-14</u>
FHA	\$ 709	\$ 11,133	\$ 9,189	\$ 0	\$ 2,653
Fishing Club	819	8,472	5,985	0	3,306
Football-Jr. High	3,719	0	3,719	0	0
Football	380	103,690	91,086	108	13,092
Football Trainers	708	0	0	0	708
Forensic Science	543	2,068	2,047	0	564
Functional Workshop	3,186	10,595	7,512	0	6,269
Golf	706	451	860	0	297
Graduation	10,737	0	512	0	10,225
Guidance Office	1,646	787	941	0	1,492
JROTC	1,168	34,182	27,325	(204)	7,821
Key Club	656	4,129	3,675	0	1,110
Library	441	272	431	0	282
Maroon Line/Dance Lines	3,971	2,342	2,439	(156)	3,718
Math Club	0	430	0	0	430
National Honor Society	2,119	2,625	1,842	0	2,902
Orchestra	25,814	6,377	9,442	0	22,749
PBIS	2,144	6,252	6,351	(300)	1,745
Physics	233	800	722	0	311
PTSO/PTO/Parent Assoc.	380	0	0	0	380
Powerlifting	771	18,063	16,100	0	2,734
Pro Start	50	7,356	5,695	0	1,711
Publications	5,080	30,216	12,440	0	22,856
Quarterback Club	3,667	0	3,667	0	0
Quiz Bowl	702	350	779	0	273
Right Start	476	0	208	0	268
Robotics	637	75	278	0	434
SADD	3,869	11,800	9,471	(1,146)	5,052
Science	2,078	3,961	1,979	0	4,060
Science Club	224	0	158	0	66
Soccer	463	774	460	0	777
Soccer-Boys	988	2,450	2,492	0	946
Soccer-Girls	1,204	11,344	7,819	0	4,729
Softball	497	48,013	42,625	0	5,885

Continued next page.

The accompanying notes are an integral part of this statement.

**NATCHITOCHEs CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
NATCHITOCHEs, LOUISIANA**

**Schedule of Changes in Restricted Account Deposit Balances
For the Year Ended April 30, 2014**

<u>Restricted Activity</u>	<u>Balance 6-30-13</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers In/(Out)</u>	<u>Balance 4-30-14</u>
St. Jude's	\$ 3,730	\$ 0	\$ 0	\$ 0	\$ 3,730
Student Council/SGO	2,569	3,367	3,459	0	2,477
Student Leadership	195	0	0	0	195
Swimming	59	6,362	5,742	0	679
Tennis	902	4,845	4,110	0	1,637
Technology	529	2,783	2,219	0	1,093
Track	9,375	9,429	11,330	0	7,474
Teacher/Classroom Supplies	0	0	7,453	9,500	2,047
Teachers' Courtesy Fund	157	0	0	0	157
YACA	<u>0</u>	<u>4,366</u>	<u>4,182</u>	<u>0</u>	<u>184</u>
Total	<u>\$214,950</u>	<u>\$675,464</u>	<u>\$650,798</u>	<u>\$ 9,976</u>	<u>\$249,592</u>

The accompanying notes are an integral part of this statement.

INTERNAL CONTROL AND COMPLIANCE

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Natchitoches Central High School Activity Fund
Natchitoches Parish School Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the Natchitoches Central High School Activity Funds, a component unit of the Natchitoches Parish School Board, as of and for the ten months ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the Natchitoches Central High School Activity Funds' basic financial statements and have issued our report thereon dated November 20, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Natchitoches Central High School Activity Funds' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Activity Funds' internal control. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Central High School Activity Funds' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Natchitoches Central High School Activity Funds' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

November 20, 2014
Natchitoches, Louisiana

NATCHITOCHES CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
April 30, 2014

SCHEDULE OF AUDIT FINDINGS

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the Natchitoches Central High School Activity Fund, a component unit of the Natchitoches Parish School Board.
2. No reportable conditions were disclosed during the audit of the financial statements as reported in the Auditor's Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements were disclosed during the audit.

B. FINDINGS

Not applicable.

**NATCHITOCHEs CENTRAL HIGH SCHOOL
SCHOOL ACTIVITY FUNDS
April 30, 2014**

SUMMARY OF PRIOR YEAR'S FINDINGS

SECTION I: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL SCHEDULES

There were no material instances of noncompliance and no internal control matters other than those reported in the management letter, as described in Section III, below.

SECTION II: INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not applicable.

SECTION III: MANAGEMENT LETTER

Not applicable.